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CURRENT INTELLIGENCE WEEKLY SUMMARY

7 June 1956

THE WEEK IN BRIEF

PART I

OF IMMEDIATE INTEREST

MOLOTOV REPLACED BY SHEPILOV Page 1	
The replacement of V. M. Molotov in the Soviet Foreign Ministry by D. T. Shepilov was apparently timed as a gesture of conciliation toward Tito and was designed to contribute to a favorable atmosphere for the Soviet-Yugoslav talks. The top Soviet leaders probably believe that Shepilov will be more effective in carrying out the Bulganin-Khrushchev diplomatic program. A fervent party man, Shepilov is an articulate and energetic advocate of "peaceful" but "competitive" coexistence as the key to the ultimate victory of the Communist system.	25X1
TITO IN MOSCOW	
Yugoslav president Tito, who is receiving the full red carpet treatment in Moscow, has made the strongest affirmation of Yugoslav friendship for the USSR since his break with the Stalin regime. His remarks and actions emphasize that this has come about through changes in Soviet policy, and that future relations must be based on continued recognition of Yugoslav independence.	25X1
FRENCH PREMIER WINS ENDORSEMENT Page 3	
The French National Assembly's endorsement of Premier Mollet's policies depended largely on right-center support for his pacification program in Algeria. The Communists abstained, and Mollet can now expect increased assembly friction which may come to a head when he seeks approval for raising taxes to finance the Algerian cam-	

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PART II

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ARAB-ISRAELI SITUATION	Page	1	
The Arab states, supported by the USSR, last week took a firm stand on the British-sponsored UN resolution and succeeded in weakening the impact of Secretary General Hammarskjold's mission to the Near East. The Arab states still appear not interested in a compromise settlement, even if they show no signs of desiring war. During the next few weeks, both parties seem likely to be preoccupied with domestic problems.		25	5X1
EGYPT'S PREMIER PREPARES FOR CONSTITUTIONAL CHANGE	Page	2	
Egyptian prime minster Nasr last week opened the propaganda campaign which is scheduled to culminate on 23 June in a popular referendum on Nasr's assumption of the presidency and a new constitution. While the referendum will mark formally the end of four years of military rule, Nasr's dictatorship will be left substantially unchanged.			
BLOC USES MOSLEM MINORITIES TO WIN FRIENDS IN ISLAM	Page	3	
The Sino-Soviet bloc has sent more Moslem emissaries to Islam during the last year than in any recent comparable period and has increased its invitations to leading Asian-African Moslems to visit Communist China and the USSR.			
RECENT SOVIET STEPS TO BROADEN EAST-WEST CONTACTS	Page	4	
The Soviet Union has been taking steps to broaden East-West contacts along the lines proposed by the West during the Geneva foreign ministers' meeting last October. It has reduced its jamming of BBC broadcasts, permitted the resumption of publication of the Russian-language magazine Amerika in the USSR, and encouraged the exchange of delegations, particularly in technical fields.			

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COMMUNIST REACTION TO KOREAN ARMISTICE DEVELOPMENTS Page 6	
In a restrained response to the UN Command's decision to suspend activities of the Neutral Nations Supervisory Commission in South Korea and to reject Peiping's proposal for an international conference on Korea, Peiping and Pyongyang merely made their usual charge that the United States and South Korea are trying to "wreck" the armistice. At the same time, Pyongyang announced a forthcoming reduction in North Korean troop strength.	
ASIAN-AFRICAN STUDENT CONFERENCE	25X1
Communist influence has prevailed at the Asian-African Students' Conference, which opened in Bandung on 30 May. Communist tactics, however, have proved a source of embarrassment to the host Indonesian government. The Philippine delegation has walked out.	25X1
SINGAPORE	
Former chief minister Marshall's colleague in the Labor Front, Lim Yew Hock, appears to have a slightly-better-than-even chance to form a new Singapore government. In the event that neither the Labor Front nor the Liberal Socialist Party, next in line, can form a government, new elections are likely. The Communist-manipulated People's Action Party is concentrating its efforts toward this goal.	
CEYLON	
The outbreaks of violence on the language issue in Colombo which began on 5 June present Prime Minister Bandaranaike with the first major test of his ability to fulfill his campaign promises without undermining his own	
position or sacrificing public order.	25X1

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BURMESE PRIME MINISTER RESIGNS Page 10 Numerous reasons have been advanced to explain U Nu's decision to resign as Burma; s prime minister. Among these are: a desire to devote more time to "cleaning up" his own political party, the AFPFL; disappointment over the failure of his foreign policy to prevent Soviet and Chinese Communist interference in the recent elections; and eagerness to pursue his interest in Buddhism. His successor, U Ba Swe, will probably continue Nu's policies in general. Page 11 Laotian government leaders favor acceptance of Chou En-lai's invitation to Premier Souvanna Phouma to visit Peiping, and Souvanna will probably make the trip later this summer. He may be receptive to Chinese Communist offers of economic and political relations. Before he goes to Peiping, Souvanna expects to reach a private understanding with rebel leader Prince Souphannouvong on the Pathet Lao issue. MOLLET AND ADENAUER REACH UNDERSTANDING ON SAAR Page 12 Premier Mollet and Chancellor Adenauer reached sufficient understanding on the Saar and attendant questions at their 4-5 June meeting to issue directives to their experts for the drafting of final agreements. The basic compromise -- which involves the political return of the Saar to Germany next year in return for the construction of the Moselle canal--will bring criticism in both countries, but prospects for parliamentary ratification of the agreements are considered favorable. 25X1 EURATOM AND THE COMMON MARKET The foreign ministers of the six European Coal-Steel Community countries who met in Venice on 29-30 May took the essential "next step" toward the eventual establishment of a nuclear energy community and a European common market. A conference to draft the necessary treaties is scheduled for 26 June in Brussels. Since several outstanding problems were left unresolved and some new ones have emerged, this will be a long and difficult process.

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ITALIAN LOCAL ELECTIONS Page 14

Returns from the 27-28 May provincial and communal elections in Italy indicate losses by the political extremes and a shift of public opinion toward left-of-center. In a number of important cities, the Christian Democrats may now find it necessary to seek new allies in order to maintain control, and changes in national party alignments may eventually result. The most striking results are the gains made by the two Socialist parties at the expense, apparently, of the Communists and Christian Democrats.

PART III

PATTERNS AND PERSPECTIVES

FROM STALINISM TO LENINISM Page 1

The Khrushchev-Bulganin regime, in trying to dissociate itself from Stalin, is attempting to show that Leninist principles and precedents underlie its own program. The image of Lenin which is offered to the Soviet public is in large part mythical. It was Lenin who created the monolithic and authoritarian party which Stalin inherited and used to establish his personal leadership. There is no doubt, however, that among many Soviet citizens, Lenin stands for a set of attitudes and a way of doing things quite different from Stalin's. By encouraging this concept, the regime hopes to create new habits of thought and a more positive response to its objectives throughout the party and governmental apparatus.

COMMUNIST INFLUENCE INCREASING AMONG OVERSEAS CHINESE . . Page 4

The growth of Communist China's prestige during the past year has had the effect of strengthening its influence among the Overseas Chinese in Southeast Asia. Peiping's present approach to these 10,000,000 to 12,-000,000 Chinese emphasizes political and economic inducements. The prospect is that the Overseas Chinese, who exercise a disproportionate influence on the economies of the countries where they reside, will be increasingly inclined to look with favor toward Peiping.

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PART I

OF IMMEDIATE INTEREST

MOLOTOV REPLACED BY SHEPILOV

Replacement of V. M. Molotov in the Soviet Foreign Ministry by D. T. Shepilov was apparently timed as a gesture of conciliation toward Tito and was designed to contribute to a favorable atmosphere for the Soviet-Yugoslav talks. Molotov had lost control of Soviet foreign policy before his retirement. Shepilov has risen rapidly in Soviet ranks since Stalin's death and will presumably bring to Soviet foreign policy an approach more in tune with the style and objectives of the present regime than Molotov's.

Molotov's resistance to the rapprochement with Yugoslavia was a major point at issue between him and his colleagues, but the disagreement between them seems to have had more general causes. Mikoyan suggested as much at the 20th Party Congress when he charged that Soviet diplomacy in the past had taken on "certain ossified forms." Molotov himself was obliged to concede to the congress that "we not infrequently still remain prisoners of the habits and patterns which have been formed in the past," and that "we must stop underestimating the immense possibilities which we have in the cause of defending peace and the security of peoples."

TITO IN MOSCOW

Yugoslav president Tito, who is receiving the full "red carpet" treatment in Moscow, has made the strongest affirmation

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Molotov retains his post as first deputy premier and probably as a member of the party presidium, and it is rumored that he will succeed the 75-year-old Voroshilov as titular president of the Soviet Union. This may be confirmed at a meeting of the Supreme Soviet scheduled for July. Ambassador Bohlen reports that Molotov appears to be in fine spirits following his removal and suggests that he is relieved to have relinquished his post, since the past year must have been an extremely difficult period for him.

The decision to appoint
Shepilov as Molotov's replace- 25X1
ment may have been reached only
shortly before the event. The

Tito had no prior knowledge of the resignation, according to the Yugoslav ambassador to Rumania. He will welcome the choice of Shepilov, whom the Yugoslavs regard as a member of the young and more liberal group in the Communist hierarchy.

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of Yugoslav friendship for the USSR since his break with the Stalin regime. At the same time his remarks and actions

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emphasize that this has come about through changes in Soviet policy, and that future relations must be based upon the continued recognition of Yugoslav independence.

In Moscow for the first time since 1946, Tito greeted his Soviet 'Comrades''--a term he shunned on Bulganin's and Khrushchev's visit to Belgrade last year--with a statement that the time had arrived when all that "separates us would be overcome and when our friendship would receive a new and still more firm foundation."

Referring to the "unheardof and tragic" breach of the
past, Tito said the visit of the
Soviet leaders to Belgrade last
year and the "courageous and
farsighted foreign policy of
the collective leadership of
the Soviet Union are, according
to my profound conviction, a
guarantee that nothing of the
kind will ever happen again
between the two countries
building their lives on the
principles of the great thinkers,
Marx, Engels, and Lenin."

Remaining Differences

In his private talks with the Russian leaders, Tito probably expects to clear up any remaining governmental and economic differences and to place the relationship between the Communist parties of the two countries on a more open basis. He probably anticipates only relatively small gains in closing the gap between Yugoslav and Soviet views on the doctrinal and practical aspects of Soviet-Satellite relationships and in Soviet ideas on the transition to socialism abroad. Privately, the Yugoslavs still find the Soviet Hand too evident in the

Satellites. Likewise, Belgrade still disagrees with Moscow on world socialism, since the Yugoslavs find evolutionary socialism a distinct possibility for the advanced nations of the West, while the USSR considers this doctrine "fruitless reformism."

The Yugoslav leaders are taking particular care during this visit to emphasize their independent status. Both speeches and press articles are pointing out that the Yugoslav-Soviet declaration at Belgrade on 2 June 1955 was the basis of the improved relations. This declaration is considered by the Yugoslavs to be a Soviet recognition of the idea of "many roads to socialism" as well as a reminder of the importance of noninterference in the internal affairs of other nations.

Tito, who laid a wreath at Lenin's feet and pointedly ignored Stalin, hopes to impress all concerned that any return by the Soviet regime to its former habits would shatter the present Yugoslav-Soviet rapport. He probably also is designing his actions to encourage the present Kremlin leaders in their efforts to develop their new policies. Tito feels that opponents of these policies are still numerous in the Soviet regime.

The Soviet public reception of Tito has been on a grand scale--comparable in lavishness and enthusiasm to the reception for Prime Minister Nehru last June. In public statements, the Soviet leaders hail the friendship as one to "last forever."

Topics of Discussion

Formal talks between the Soviet and Yugoslav leaders,

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which have recessed until 18 June while Tito takes a tenday tour through the USSR, have already covered such international questions as disarmament and German reunification. The initial communiqué covering the first two days did not indicate the extent of agreement reached. The Soviet leaders are presumably interested in getting Tito to establish relations with East Germany, while he reportedly will try to further some sort of federation scheme for Germany and/or effect de-Stalinization changes in East Germany.

In any event, in the communiqué covering the final talks, the two countries' leaders will probably be able to give the impression of agreement on such questions as disarmament and Communist China's "right" to UN membership and sovereignty over Taiwan where generalities can cover up any minor differences. Prior to the visit, TASS quoted Tito as saying the two countries have "identical" views on some of these general issues, while the Yugoslav version called these views "similar."

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FRENCH PREMIER WINS ENDORSEMENT

The French National Assembly's 271-59 endorsement on 5 June of Premier Mollet's policies depended largely on right-center support for his pacification program in Algeria. The Communists abstained, and Mollet can now expect increased assembly friction, which may come to a head when he seeks approval for raising taxes to finance the Algerian campaign.

Mollet sought approval for all his government policies -both domestic reforms and the North African program -- in a single vote to prevent a shifting of majorities on individual issues. The Communists abstention was the first break in their support of Mollet since his investiture. Mollet gave way to rightist pressure by withdrawing the Moroccan agreement from the issues at stake. While Mendes-France's resignation of 23 May did not appreciably affect Radical support of Mollet, his withdrawal and Communist abstention will probably encourage the

Popular Republicans to continue their close collaboration with Mollet in the hope of getting participation in the cabinet.

In view of his concessions to the right-center on Morocco and Tunisia, these groups will probably be willing to let Mollet work out a solution in Algeria. Tunisian and Moroccan insistence on early exchange of diplomatic representatives with third states, however, will displease the right-center, and these elements may become active in their opposition if negotiations with Algerian representatives point to wide concessions before pacification is achieved.

Despite Communist support for Mollet's earlier request for special powers in Algeria, Communist-sponsored subversion against the recall of reservists to Algeria is likely to increase. Working through their front organization, particularly the General Labor Confederation, the Communists have been

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successfully exploiting popular discontent over Algeria, and may now increase their efforts to attract the Socialist rank and file.

In addition to demonstrations, strikes, rallies and petitions, the Communists have encouraged obstruction of troop train departures and have contacted close relatives of soldiers killed in Algeria to enlist them for appeals to the government to stop the war.

The debate on EURATOM, tentatively scheduled for mid-June, is likely to widen the breach between the Socialists and Communists and further alienate the followers of Mendes-France, who is against

the treaty's restrictions on nuclear weapons development. The Popular Republicans and the pro-integration rightists may, however, support Mollet in the hope of exerting more influence on his Algerian policy.

The problem of financing the Algerian campaign may, more than any other issue, splinter Mollet's present support. He must find \$285,000,000 in new revenue and will need assembly approval for increased taxes. Many deputies, including members of Mollet's coalition, fear that additional taxation, combined with the higher costs of Mollet's social reform, will increase inflationary pressures.

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ARAB-ISRAELI SITUATION

Jordan's border with Israel last week became the principal scene of incidents. There appeared to be no new pattern in these incidents, which were of the same kind that have occurred on this frontier for more than nine years. They tended to support Tel Aviv's thesis that the Arabs are unable and unwilling to conform to the cease-fire promises extracted by the UN secretary general. The intransigence of Arab spokesmen, particularly Syria's delegate, before the UN Security Council in New York, also left the impression that if the Arabs are not interested in war at this time, neither are they much interested in peace.

The Arabs insisted on deletion of reference to a peaceful settlement "on a mutually acceptable basis" from the Western-sponsored resolution on the Middle East prior to passage by the Security Council. The phrase, which had been included in both the Soviet statement on the Middle East of 17 April and in the Soviet-British communique on the London talks, was attacked by the Arabs on the grounds that it would upset all the United Nations decisions made since 1947 and would compel the Arabs to recognize present Israeli borders.

During the next few weeks, Arab activities seem likely to be slowed, however, since both the Arabs and Israelis are likely to be preoccupied with

internal developments. Egypt is involved in preparations for its constitutional referendum and presidential plebiscite on 23 June; Syria and Lebanon are indulging in the intricate convolutions of cabinet crises; and Jordan is digesting the results of the latest meeting between its leaders and the Syrians.

The Israelis, while they still speak of the need for a "decision" on Banat Yacov and the Jordan waters, also have some troubles entirely their own. The role of the Mapai, the leading party in Israel's coalition cabinet, in enacting measures to cope with perennial inflationary pressures and unemployment, has disappointed labor elements, which have formed the Mapai's base of popular support.

These and other economic and political problems are far from new, but they tend to attract attention as Israel's security problems become less newsworthy, and the Mapai is being led to the conclusion that a more dynamic kind of party leadership and considerable "fence-mending" are needed at the grass-roots level. This problem is more serious now, since it has been shelved for the past ten months while Mapai's chiefs, in their capacity as Israel's government leaders, grappled with international difficulties.

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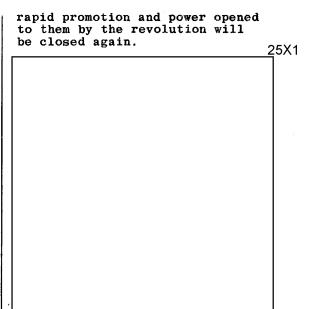
EGYPT'S PREMIER PREPARES FOR CONSTITUTIONAL CHANGE

In a major speech on l June and in a series of special interviews last week, Egyptian prime minister Nasr opened the propaganda campaign which is scheduled to culminate in a popular referendum on 23 June. The Egyptian people will be asked to approve the new constitution, a "final" draft of which was announced on 16 January, and to elect Nasr president of the Egyptian republic.

Since the outcome of the referendum is not in doubt, the regime's only problem in this respect is to generate an impressive display of popular enthusiasm. Hence Nasr's speech on 1 June, in which he once again castigated the imperialists, pointed to the vague goal of transforming Egypt into a "co-operative" society, and countered charges of authoritarianism with announcements that political detainees would be freed and press censorship abolished. Teams of cabinet members have begun to tour the provinces explaining the proposals for a new government.

Nasr's Problems

Behind the scenes, however, Nasr faces serious problems. The adoption of the new constitution involves the longpromised transformation of the military Revolutionary Command Council into a civil oligarchy. Nasr appears to feel that this will be an appropriate time to drop some of his less tractable colleagues. At the same time, however, he presumably also wishes to ensure that the army, still the only real basis of his support, is not slighted and that military officers do not feel that the doors to



On a lower level, army supporters are also being moved into civilian ministries. As of early May, 41 army officers had been removed from the active list and appointed to civilian jobs. By this means Nasr not only will ensure the loyalty of the army but also will have an internal intelligence apparatus built into the civilian bureaucracy whose members have not always been enthusiastic about the regime.

Elections for Legislature

Although Nasr is to be confirmed as president and the new constitution approved this month, elections for a new legislature will be held later, possibly in November. This interval should allow the regime amply time to give organizational substance to the "national union," a still nebulous grouping whose duty is to approve candidates for the

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assembly and whose membership apparently is to include all Egyptians except those judged weak in their opposition to imperialism.

It is abundantly clear that the regime intends to tolerate no serious opposition in any of these votes, although old Wafdist party members in Alexandria reportedly are encouraging their supporters to register in the hope that some opportunity may turn up.

It remains doubtful whether the end of the outward form of military rule, leaving the substance of Nasr's dictatorship essentially unchanged, will solve the regime's biggest domestic problem, its lack of positive mass support. Should this kind of support fail to materialize despite Nasr's best efforts, his government is likely to be frightened into reverting to the martial law regime of the past four years whenever Egyptians try to take literally the constitution's guarantees of freedom.

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BLOC USES MOSLEM MINORITIES TO WIN FRIENDS IN ISLAM

The Sino-Soviet bloc has sent more Moslem emissaries to Islam during the last year than in any recent comparable period and has similarly increased its invitations to leading Asian-African Moslems to visit Communist China and the USSR.

Islamic suspicion of Communism has been based more on the repression of Moslem minorities within the bloc than on the danger of Communist subversion to Islam. One of the aims of the bloc is to persuade Islam that the Moslem religion and Communism are not incompatible.

The USSR sought over the past year to gain freer access to Mecca. In the 1955 pil-grimage to Mecca, the Soviet Union was represented by 21 Moslems, its largest delegation since World War II, and the Chinese Communists by 28, their first delegation since 1949. Moscow and Peiping are reportedly trying to increase their delegation to 500 each this year, though the Saudi government is unlikely to accept so many.

Soviet and Chinese Communist invitations have been extended to many known non-Communist and anti-Communist Asian-African Moslems. Moslem delegations from Egypt, Syria, the Sudan, Pakistan and Indonesia visiting Communist China in May praised the religious freedom they found there. non-Communist member of the Sudanese parliament, after a recent visit to Peiping, was quoted as saying the fact that China had 40,000 mosques and 10,000,000 Moslems was "powerful proof" of the freedom of religious belief in China. Peiping reportedly has invited 1,500 Egyptian students to This figure is almost China. equal to the total number of foreign visitors to Communist China in 1955.

The Soviet announcement on 19 May, that the Koran had again been published after 26 years' proscription, has been publicized in Islam in an attempt to prove that the USSR is in fact the benefactor of Soviet Moslems. The USSR had frequently tied its propaganda for peaceful coexistence to clauses in the

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Koran opposing force. A Soviet Moslem broadcast in May stated, "We, the Moslems of southern Caucasia, confirm from the bottoms of our hearts the peaceful policy of the Soviet government."

The increased Soviet involvement in Middle Eastern affairs has brought rumors that Soviet "Moslem volunteers" would aid the Arabs in the event of an Israeli attack. The USSR has not denied these rumors and may actually have initiated them as a further means of identifying the USSR with Islam's struggle against Western "colonialism."

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RECENT SOVIET STEPS TO BROADEN EAST-WEST CONTACTS

The Soviet Union has been taking steps to increase East-West contacts along the lines proposed by the West during the Geneva foreign ministers' meeting last October.

The USSR rejected the Western proposal to end jamming, but hinted it might reconsider if the program content of the broadcasts were considerably altered. Since the start of the Bulganin-Khrushchev visit, the jamming of Russian-language broadcasts of the BBC has been largely eliminated, although the BBC's Satellite-language broadcasts are still jammed.

Moscow has been more concerned about American broad-casts, both official and unofficial, than about those of the BBC. However, a high Soviet official in Vienna recently told an American embassy officer he thought the United States could now reach agreement with the USSR on "unimpeded informative broadcasting" by the Voice of America.

In December, the USSR agreed to permit the United States to resume publishing and disseminating in the Soviet Union its Russian-language magazine, Amerika, provided the USSR is permitted to distribute a magazine in the United States.

It agreed to American demands that there be no censorship and that 50,000 copies be distributed through Soviet newsstands. A similar agreement for a French magazine was reached during the recent French visit to the USSR. At the same time, the Soviet leaders agreed to the reciprocal establishment of reading rooms with material in the local language, a proposal made by the West at Geneva, and one which the Soviet leaders had balked at in London.

Both the British and French communiques provided in general terms for a variety of exchanges of books, publications and films, as the Western powers had sought at Geneva. The USSR has not acted, however, on the Western proposal to end the censorship of news dispatches.

The USSR has been flooding the British, French, and American governments with proposals for exchanging delegations, particularly in the technical field. The recent joint Anglo-Soviet and French-Soviet communiques also endorsed the exchange of cultural and sports delegations and increased tourism.

A major Western proposal still unaccepted is for reform in the ruble rate to overcome the very high cost of exchanges.

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Without committing itself publicly on the question, the USSR did indicate in the recent British and French negotiations that some relief would be granted. There is no sign yet

that the Soviet Union will meet a related Western demand for reciprocal removal of restrictions on the travel of diplomatic missions within each country.

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FORMER BERIA SUPPORTER EXECUTED

The trial and execution of M. D. Bagirov and three former Soviet secret police subordinates, announced only in the 27 May issue of the Azerbaijan Republic newspaper, Bakinski Rabochi, marks another step in the long-drawn-out process of liquidating protegés of the late L. P. Beria. The trial was held in Baku from 12 to 26 April "in an open session" by the military tribunal of the USSR Supreme Court with USSR procurator general Rudenko acting as prosecutor. Two other MGB-MVD officials were also tried and given prison sentences of 25 years.

Charges Against Bagirov

The indictment against
Bagirov and Co., drawn up almost
three years after their removal
from office, charges them with
having been accomplices of
Beria, of engaging in counterrevolutionary activity, extorting confessions from innocent victims by terroristic
means, and in general setting
the state security organs
against the government and party.

Bagirov worked with Beria during the 1920's in the Azerbaijan secret police apparatus. In 1933 he was appointed first secretary of the Azerbaijan Communist Party and held this position until April 1953 when he assumed the chairmanship of the Azerbaijan Council of

Ministers. In March 1953, during the time of Beria's rapid political rise, Bagirov was made a candidate member of the all-Union party presidium. Immediately following Beria's ouster, Bagirov was removed from all his positions. While he was accused at that time only of serious infringements of the principle of collective leadership, in March 1956 he was charged with committing "lawless acts and persecuting and disposing of people who displeased him."

The Trials

The Baku trial resembled in almost every detail that involving former Georgian MGB-MVD officials held last September in Tbilisi. Both trials were held by the military tri-bunal of the USSR Supreme Court in open session, and the charges leveled were virtually identical, centering on terroristic police methods. The trial of Bagirov, however, referred to testimony being supplied by many witnesses, which suggests that at least in this instance the regime may have made extensive use of former victims now rehabilitated to bolster its case.

Although the crimes are similar to those of which Beria was accused, the trials were apparently conducted in a manner closer to Western legal practice than in Beria's case. Beria

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was tried under the now repealed law of 1 December 1934 which called for a secret trial, mandatory death sentence, and no appeal.

Both the Georgian and Azerbaijan trials appear to have more local than union-wide significance. Because of Beria's long involvement in and control over the Caucasus, many of his former proteges were concentrated in this area and the influence of his police methods on the operation of the party and government undoubtedly was more deep-rooted and pervasive here than in any other part of the Soviet Union. The regime apparently felt that show trials of his supporters were necessary as a catharsis. Both trials were publicized only in the republics in which they were held, suggesting that because of the obvious unsavory nature of the trials, the regime was not anxious to give them any wider publicity than necessary.

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COMMUNIST REACTION TO KOREAN ARMISTICE DEVELOPMENTS

In a restrained response to the UN Command's decision to suspend activities of the Neutral Nations Supervisory Commission in South Korea and to reject Peiping's proposal for an international conference on Korea, Peiping and Pyongyang merely made their usual charge that the United States and South Korea are trying to "wreck" the armistice. At the same time, Pyongyang has announced a forthcoming reduction in North Korean troop strength.

A Chinese Communist Foreign Ministry statement on 1 June stressed that "peaceful unification" would continue to be a major objective of Communist policy toward Korea. The statement accused the UN Command of "turning upside down the facts" concerning obstruction of the work of the Neutral Nations Supervisory Commission and reiterated the Communists' claim that their side has accorded the commission "full co-operation."

Peiping's proposal two months ago for an international conference on Korea followed Swiss and Swedish complaints of

obstruction by the Communists of the work of the Neutral Nations Supervisory Commission. The Communists maintained that the problems raised could be resolved only by a conference to discuss the withdrawal of foreign forces and "peaceful unification." Peiping's proposal, however, gave no indication of any change in the Communist position on Korean unification. It ignored the two basic UN preconditions for unification -- which the Communists had rejected at Geneva in 1954 -that elections be held under UN supervision and that the right of the UN to deal with the Korean question be recognized.

The Communists apparently hope to persuade neutral Asian nations to the view that UN rejection of the conference proposal and suspension of the activities of the inspection teams in the south are deliberate attempts to "wreck" the armistice. By contrast, the Communists have pointed to their own actions as moves to preserve peace and effect unification.

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In support of this propaganda line, Pyongyang announced on 31 May that the North Korean government would reduce its armed forces by 80,000 men within the next three months. The announcement contained the declaration that North Korea will not be the first to use armed force in its dispute with the south.

Despite these proposed troop reductions, the over-all Communist position in North Korea remains secure. There continue to be at least six Chinese armies--approximately 300,000 troops--stationed in North and Northeast China. Troop strength in North Korea is estimated at about 641,000, of whom 291,000 are Chinese

TROOP	STRENGTHS	IN	KOREA

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	27 JULY 1953	1 APRIL 1956		2
NORTH KOREAN	281,000	350,000		
CHINESE COMMUNIST	872,000	291,000		
TOTAL	1,153,000	641,000		
			+ E	
SOUTH KOREAN	541,000	688,875		
UNITED NATIONS	343,000	74,789		
TOTAL	884,000	763,664		
7 JUNE 1956		60606		

Communists. UN and South Korean ground forces total approximately 750,000. The North Korean air force, which includes about 200 jet fighters and about 50 jet light bombers, is far superior to the South Korean air force.

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ASIAN-AFRICAN STUDENT CONFERENCE

Communist influence has prevailed at the Asian-African Students' Conference which opened in Bandung on 30 May. Communist tactics, however, have proved a source of embarrassment to the host Indonesian government, and the Philippine delegation has walked out.

The conference originated with a recommendation of the Communist-sponsored World Student Conference in Warsaw in 1953 and gained impetus following the Bandung conference of Asian-African diplomats in April 1955. Initial preparations were controlled by Communist students in Indonesia working through both national and international preparatory committees. In October invitations were issued to student organizations of 45 countries.

Although control of the national committee was captured by non-Communist students in December, they subsequently

proved incapable of countering steps taken by the Communists, who continued to dominate the international committee. The early arrival of the Chinese Communist and other pro-Communist foreign delegates hindered last-minute efforts of the non-Communist Indonesians--aided by Philippine and Japanese delegates--to delay the conference in the vain hope of the arrival of reinforcements from such countries as Thailand, Turkey, and South Vietnam.

Moreover, Indonesian Communist Party leaders are actively directing Communist students in Bandung and arranged accommodations to inconvenience co-ordination among non-Communist groups. The Communists were also able to exploit the strong endorsement of the conference by the Indonesian government to force the weak Indonesian non-Communist leadership to co-operate. Of a reported 27 delegations

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Communist-controlled, and about six subject to their influence, while several non-Communist delegations contain sizable leftist minorities.

Keynote speeches emphasizing the "Bandung spirit" and anticolonial themes have given the conference a strong anti-Western slant. A broad agenda was adopted covering educational problems, social conditions of students, cultural co-operation, and "general problems." A major fight subsequently developed when the Chinese, with Egyptian backing, forced the accreditation

of several African delegations which came directly from Soviet and Chinese universities. The Philippine delegation has walked out of the conference, and has been accused of "disruptive tactics" by the Communists.

Under the threat of further walkouts, the Communists have accepted defeat on certain key objectives such as the creation of a permanent Asian-African federation and a denunciation of the SEATO and Bagdad pacts. They have nevertheless succeeded in obtaining Asian-African endorsement of several major Communist propaganda themes.

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SINGAPORE

Chief Minister Marshall of Singapore has carried out the threat he made following the breakdown of the self-government talks in London to resign.

Singapore's governor has now asked Lim Yew Hock, another Labor Front official and a prominent Chinese labor leader, to attempt the formation of a new regime, and it appears that his chances of success are slightly better than even.

A reorganized Labor Frontgovernment would appear to offer renewed hope that an agreement on self-government can ultimately be reached with Britain. Lim Yew Hock has stated, in fact, that he believes such an agreement is possible after a "reasonable period."

In the event that Lim's efforts to form a government are not successful, the governor is expected to turn to the conservative Liberal Socialist Party, which is not particularly anxious to assume responsibility at this time. Should the Liberal Socialists either refuse an offer to take office or fail to form a government, the governor would appear to have no alternative but to call for new elections.



Meanwhile, Marshall's accusations that he was sabotaged in London by his fellow delegates have played into the hands of the Communist-manipulated People's Action Party (PAP). The PAP's goal is new elections, and to this end it is concentrating its efforts, both overtly and covertly, at preventing the formation of a new government. Although antagonistic toward Marshall, the PAP has been attempting to exploit both the collapse of the London talks and Marshall's colorful denunciations to sway public opinion and cause internal dissension in the other parties.

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In addition, it is planning a "protest week" of organized public demonstrations which could cause flare-ups of violence. It would appear to be in the interest of the PAP, however, to keep the demonstrations under control in order to avoid the prospect of an indefinite postponement of elections.

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CEYLON

The violence which erupted in Colombo on 5 June over the language issue presents Prime Minister Bandaranaike with the first major test of his ability to fulfill his campaign promises without undermining his own position or sacrificing public order.

Small groups of Tamilspeakers, peacefully protesting a government bill to make
Sinhalese the only national
language of Ceylon, were attacked in front of the parliament building by a mob on 5
June. Looting of Tamil shops
which took place in other parts
of the city continued on 6
June. A number of legislators
were involved in the melee and
several charges were reportedly
made by the mounted police to
break up the crowd.

Despite Bandaranaike's statement in parliament that he had ordered his officers to "deal firmly" with the disturbances, many policemen reportedly refused to interfere with the looting, and the prime minister evaded requests from the chief of police for definite instructions.

Bandaranaike had introduced the single-language bill under pressure from orthodox Buddhist elements, which played a large role in his election victory two months ago. The Tamils, who comprise about 23 percent of Ceylon's population and are mostly of Indian origin, have been agitating against the bill for several days—possibly with the encouragement of the Communist and Trotskyist parties.

Bandaranaike's efforts to deal with Tamil unrest before the public violence were frustrated by personal suspicion and dissension among his coalition cabinet members, even though all of them are committed to support Sinhalese as the only national language.

The government has enough votes to push the Sinhalese language bill through parliament, but the mob action will probably force Bandaranaike to face the more important question of whether or not he can control extremist sentiment among his follow-The Buddhist fanatics are ers. also bringing pressure on Bandaranaike through violent condemnation of the continuance of British bases in Ceylon and charges that the United States interfered in the recent elections and is trying to foment dissension in Ceylon.

Unless Bandaranaike can establish sufficient control over his supporters to

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enable him to implement his campaign platform gradually and legally, he may soon have to gamble on calling new elections in order to prevent the strong leftist elements in his coalition from taking control of the government. His authority has probably already been weakened by "liberalizing" actions in compliance with his campaign promises, such as the downgrading of the special Department of Public Security created by former prime minister Sir John Kotelawala to deal with subversion and political

agitation and the lifting of Kotelawala's ban on the import of Communist literature.

That Bandaranaike expects to make a strong fight to obtain control is indicated by his statement even before the beginning of the disturbances that he might have to cancel his scheduled visit to the Commonwealth prime ministers' conference the end of this month in order to deal with the "internal situation."

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BURMESE PRIME MINISTER RESIGNS

There have been numerous reasons advanced to explain U Nu's resignation as Burma's prime minister. Nu, who was replaced by the former defense minister, U Ba Swe, is reported to consider his neutral foreign policy a "failure" and is alleged to be particularly discouraged over Soviet and Chinese Communist "interference" in the recent elections, despite all his efforts to promote friendly relations with Peiping and Moscow.

desire to withdraw from public office in order to meditate in monastic seclusion. Finally, despite his reported denial that this was the case, Nu may have been forced out by the Socialists, who dominate the AFPFL and have become increasingly anxious to rule in their own right. There have been indications of



U BA SWE

As a devout Buddhist, moreover, Nu has often expressed a

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growing Socialist dissatisfaction with Nu's extravagant expeditures on religious projects, as well as his tendency to emphasize morality in government.

With elections safely out of the way, the Socialists may have felt that the time was propitious to dispense with Nu. It is questionable if Nu will be able to do much about cleaning up the AFPFL in view of the tight Socialist control of its administration.

The personalities of Nu and his successor are sharply divergent. In contrast to Nu's highly moral approach to politics, Ba Swe has used high office for personal enrichment. Whereas Nu loves the public

limelight, Ba Swe would rather work behind the scenes and much prefers the race track to daily office routine.

As premier, Ba Swe may pursue a softer line toward internal Communism than Nu. He apparently regards political accommodation as a better way to solve the Communist insurgent problem than outright military suppression. Ba Swe would seem thus to be more vulnerable to the Unitedfront tactics of the pro-communist National United Front. In general, however, it seems probable that over the short run Ba Swe's government will not extensively alter U Nu's policies of neutrality and friendship for all countries.

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LAOS PREMIER TO VISIT PEIPING

Laotian government leaders, without exception, favor acceptance of Chou En-lai's invitation to Premier Souvanna Phouma to visit China. The Laotian premier will probably make the trip later this summer unless there are unforeseen complications. This development has tended to overshadow the impending meeting between Souvanna and Pathet Lao leader Prince Souphannouvong.

With respect to Chou's invitation, the Laotian government's attitude is that Laos is too small and too exposed to run the risk of affronting its powerful neighbor. Souvanna has stated, however, that he intends to remain anti-Communist while in Peiping and will not compromise Laos' relations with the West. On the other hand, he has declared his willingness to establish normal relations with Peiping and Hanoi provided they treat Laos as a fully independent and sovereign state, and there are indications that he is vulnerable to Chinese Communist offers of aid and trade.

Meanwhile, Souvanna, reminded of an earlier statement that he would not visit Peiping or Hanoi until an "internal" settlement of the Pathet Lao issue was achieved, has expressed confidence that a solution will be reached by August. He has been in contact with Souphannouvong, his half-brother, with whom he is still determined to have a meeting, now tentatively scheduled for later this month.

It seems likely that Souphannouvong will reciprocate with a show of conciliation if for no other reason than to avoid jeopardizing the prospects of Souvanna traveling to Peiping. He may even agree "in principle" to government terms for a settlement, leaving detailed negotiations for subsequent meetings.

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MOLLET AND ADENAUER
REACH UNDERSTANDING ON SAAR

After their protracted meeting in Luxembourg, on 4 and 5 June, French premier Mollet and West German chancellor Adenauer were able to announce they had reconciled their points of view on the Saar. General approval was also given to the Moselle and Alsace canal projects, and directives were issued to the experts to draw up formal agreements. Both sides made considerable concessions. Public criticism of the settlement is expected in both countries, as well as in the Saar itself, but the prospects for parliamentary ratification are considered favorable.

The Adenauer-Mollet communiqué did not spell out the details of the Saar agreement, but a high French official has indicated that basically it calls for the political return of the Saar to Germany on 1 January 1957 and the termination of the French-Saar economic union three years later.

Warndt Coal Mines

The most troublesome aspect of the Saar question discussed by French and German experts this spring was the Warndt coal mines, located in the Saar but mined through pitheads in France. France had insisted on a guarantee of 90,-000,000 tons of coal from the Warndt, an amount the Germans and Saarlanders had protested was too great since the Warndt represents the Saar's chief coal reserve. Mollet agreed this week to cut France's direct share down to 66,000,000 tons, conditioned on Adenauer's promise to allow the French to buy 24,000,000 additional tons.

To avoid the mistake made at the time of the 1954 French-

German agreement in taking the Saarlanders' acceptance for granted, several Saar leaders were included in the Adenauer-Mollet talks. On 5 June the Saar government announced its acceptance of the settlement, although the Warndt provisions are not to its liking.

Moselle Canal

Agreement was evidently reached on the outlines of a plan to build a Moselle canal, a project the French had made a sine qua non of a Saar agree-ment. The 168-mile canal, mostly in German territory, will, by providing France with cheap transportation from the Ruhr, put the French steel industry in a better competitive position. Adenauer and Mollet declared they would seek the approval of the canal project by Luxembourg, which has protested, as have the German railways, that it would lose rail revenues. Agreements will also be drawn up for a canal to parallel the Rhine in Alsace, which the Germans have hitherto opposed for fear it would lower the Rhine's water level.

Ratification Prospects

Since Adenauer has recently won the support of the Ruhr industrialists for the Moselle project on political grounds, he should be able to get it, as well as the Saar agreement itself, through the lower house without great difficulty. The opinion of the upper house would be less favorable. When the previous Saar agreement was being ratified, however, the upper house took the view that its concurrence was not necessary.

Since the Saar referendum last fall, French opinion has

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been increasingly reconciled to the territory's return to West Germany, and in view of the con- | approve the agreements.

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EURATOM AND THE COMMON MARKET

The foreign ministers of the six European Coal-Steel Community countries -- Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands--achieved tentative success in their deliberations in Venice on 29-30 May on the proposals for a nuclear energy community and a European common market. In accepting the draft plans for the two projects as the basis for the negotiation of treaties, the foreign ministers took the essential "next step" in the long process of putting the plans into effect. The difficulties which still lie ahead, however, are suggested by the tendency of the Venice meeting to skirt some old issues and by the emergence of several new ones.

A conference is to convene in Brussels on 26 June, and two subcommittees -- one for each of the projects -- are to undertake the actual treaty drafting. Belgian foreign minister Spaak, who directed the drafting of the EURATOM and common market plans over the past year, will supervise the work, and the foreign ministers will meet periodically to receive reports and decide on the political questions which arise.

These rather elaborate arrangements both conceal and reflect the continued absence of real agreement on such outstanding problems as the relationship between the two projects and the role of nuclear military programs in the EURATOM project. There was apparently no serious effort to arrive at a compromise solution on the issue of weapons

production, and Foreign Minister Pineau evidently had no final instructions on the matter. He reportedly did agree to consider the "Spaak proposal" for a five-year moratorium on weapons production as a possible basis for discussion, and still another committee has been set up to consider the problem anew.

Scope of Community

Unusual attention was directed at the Venice meeting to the possible expansion of the territory to be included in both the common market and EURATOM. The final communiqué stressed that the treaties would provide for the accession of additional member states, and that special efforts would be made to secure their adherence.

These decisions were in direct response to developments in France where, immediately prior to the Venice meeting, the Socialist deputies agreed to support EURATOM unanimously-provided additional memberships were actively solicited. solicitation could have the effect in the long run of watering down the supranational features of EURATOM. The Norwegians, however, are reported as increasingly convinced that European nuclear co-operation requires a relinquishment of sovereignty as well as a ban on nuclear military programs.

France also suggested the possible inclusion of overseas territories in the common market. These areas largely account for the favorable balance of trade

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which the franc zone now enjoys vis-a-vis West Germany. The French are looking for new ways to attract foreign investments to these areas, and may also believe their insistence on including the overseas territories would counter any tendency to construe the tightening of France's ties with Europe as weakening its ties with these territories.

The reactions of the other potential members is uncertain, but they are likely to be torn between the hope of a new area for profitable investment and the fear that the inclusion of such territories would be a drain on the economic and political resources of the European community. Some Dutch officials are already predicting that Belgium, with overseas territories of its own, is not likely to favor this French idea.

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ITALIAN LOCAL ELECTIONS

Returns from the provincial and communal elections in Italy on 27-28 May indicate losses by the political extremes and a shift of public opinion toward left-of-center. In a number of important cities, the Christian Democrats may now find it necessary to seek new allies in order to maintain control, and changes in nationalal party alignments may eventually result.

The most striking results are the gains made by the two Socialist parties at the expense, apparently, of the Communists and Christian Democrats. Election returns received thus far break down the vote only by political blocs, but unofficial returns for the provincial councils show a shift of some 2 percent from the Communists to the Nenni Socialists since the last nationwide vote in the 1953 parliamentary elections. In the center bloc, the Christian Democrats lost while their allies, the Democratic Socialists, gained about 3 percent over 1953. In the same bloc the Liberals also gained, but the Republicans appear to be withering away as a political party.

Incomplete provincial election returns by party blocs give the following percentages as compared with the 1953 national elections and the 1951-52 local elections:

1956	1951-52	1953
	(local)	(parlia-
		mentary)

LEFT	35.1	35.7	36.7
CENTER	51.7	50.2	49.9
RIGHT	10.8	9.9	12.0
OTHER	2.4	4.2	1.4

Effect of Elections

The election results may have an immediate effect on the relations of the parties supporting Premier Segni's national government. On the local level the Democratic Socialists are already demanding that the Christian Democrats enter into alliances with the Nenni Socialists to maintain control of communal councils in cities such as Rome, Venice, and Genoa, where the center coalition no longer commands a majority. The Liberals, on the other hand, have threatened to quit the center coalition if any such "opening to the left" occurs.

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If this conflict carries over to the national level, the Segni government—which needs the votes of all three small center parties to retain its precarious majority

in parliament--will be faced either with a stalemate on its reform program or with a drastic reorganization of the coalition cabinet.

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PART III

PATTERNS AND PERSPECTIVES

FROM STALINISM TO LENINISM

The denunciation of Stalin has been accompanied by an attempt on the part of the Khrush-chev-Bulganin regime to show that Leninist principles and precedents underlie its own program. Although the image of Lenin which is offered the Soviet public is in large part mythical, the regime hopes, by reference to his example, to create new habits of thought and a more positive response to its objectives throughout the party and governmental apparatus.

Lenin's "norms of party life" are said by Soviet leaders and party ideologists to rest on the principles of collective leadership, inner-party democracy based on "democratic centralism," constructive criticism and attentiveness on the part of party leaders to the needs of lower echelons. The contrast between these principles and the realities of Stalinism is obvious, but there is, nevertheless, considerable irony in the attempt to represent Lenin's era as the "golden age" of party democracy.

It was Lenin who created the monolithic, authoritarian, and exclusive party which Stalin inherited and used to establish his personal dictatorship. But it is nonetheless true that in Lenin's day the area in which freedom of thought and genuine debate were permissible, though it was progressively narrowed, was relatively wide as compared with the Stalinist era.

Democratic Centralism

The key elements in Lenin's conception of party organization, a conception which distinguished him from his opponents in the pre-Revolutionary Russian Social

Democratic Party and, as much as anything else, eventually brought him leadership of the Soviet state, were centralism, authoritarianism and stringent discipline. His organizational scheme, set down systematically in 1902, saw the party as a tightly knit, conspiritorial elite, with authority firmly held at the top. "Broad democracy in party organization..." Lenin wrote, "is nothing more than a useless and harmful toy."

It was as a rejoiner to charges that his organizational scheme would inevitably lead to dictatorship that Lenin conceived the formula "democratic centralism" to describe the pattern of relationships which he sought to impose on the party. Democratic centralism was defined as: (1) the election of all leading party bodies, from lowest to highest; (2) periodic reports of party bodies to their party organizations; (3) strict party discipline and subordination of the minority to the majority; (4) the absolutely binding character of the decisions of higher bodies upon lower bodies.

It is this principle, to which both Lenin and Stalin paid constant lip service, that the regime now cites as the keystone of inner-party democracy. The context in which it was formulated and the evolution of the Russian party indicates, however, that its centralist elements have always been paramount. In Lenin's hands, as well as Stalin's, it became an instrument for the establishment of authoritarian control and eventually for the suppression of dissidence.

Freedom of Criticism

When the Bolsheviks came to power in 1917, Lenin was

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universally recognized within his party as "first among equals." As the new Soviet state survived one crisis after another, his prestige and authority grew enormously. At his death in 1924, however, he had still not attained a position which permitted him to rule by fiat.

Important points of policy were argued out in the central committee of the party. In the first years after the Revolution, debate was often lively and Lenin's authority was challenged more than once. The party was frequently rent by factionalism as disagreement arose on such questions as peace with Germany, assistance to the revolution abroad, the suppression of non-Communist parties, the imposition of managerial discipline and the abandonment of workers' control in the factories, the nationalization of industry and the organization of agriculture.

The dissidents within the party formed themselves into successive groupings which tended to regard themselves as a "loyal opposition." On the major issues, Lenin's viewpoint was consistently victorious, but the opposition was at least allowed to state its position. Lenin's victories rested more on his prestige and powers of persuasion than on fear and force.

These were not necessarily, however, the methods which Lenin preferred. In the first years after the Revolution, he was feeling his way gradually in the matter of party leadership. At that stage, any attempt to create a personal dictatorship might well have endangered the Soviet state as well as his position in the party. Like Stalin after him, he took time to get his bearings. Progressively, however, the machinery of control and repression -- the party apparatus, the secret police, and

a legal system which gave the state broad powers for the enforcement of political orthodoxy-was built up, and, as time went on, Lenin's tolerance of disagreement and his generosity toward defeated opponents diminished visibly.

Complaints began to be heard within the party that party democracy was eroding, that the right to criticize party policy was being denied, and that the party was becoming estranged from the people.

The Tenth Party Congress which convened in 1921, one week after a revolt against the policies of the party leadership had broken out in the Kronstadt naval base, marked a turning point in the life of the party. Here the outlines of the monolithic, authoritarian party finally emerged clearly.

Discussion and dispute, said Lenin, were luxuries which the party could no longer afford. "You cannot trick us with words like 'freedom of criticism,'" he cried. "We have spent a great deal of time in discussion, and I must say that now it is a great deal better to 'discuss with rifles' than with the theses offered by the opposition. We need no opposition now, comrades, it is not the time!...And I think the Party Congress will have to draw that conclusion too."

The congress proceeded to decree the dissolution of factions within the party, and for the first time gave the central committee the power of expulsion from the party. Simultaneously, a central control commission was formed for "the consolidation of unity and authority in the party."

Collective Leadership

The long struggle for the succession, which began among

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Lenin's principal lieutenants soon after he suffered his first stroke in 1922, was fought out in terms of power and not by reference to Leninist precedent or theory. Nowhere in his writings and speeches did Lenin indicate how power was to be distributed at the very top of the party pyramid.

Power was, in fact, more widely shared under him than in the heyday of Stalinism. His personal ascendancy was unquestioned, but other members of the party hierarchy had a voice in decision-making and filled the roles of subordinates rather than of satellites. This arrangement, however, was more a product of Lenin's personality and of the circumstances in which he held his leadership than of his devotion to a principle, as a passage from his works shows. "The Soviet Socialist Democracy," he wrote, "is in no way inconsistent with the rule and dictatorship of one person... the will of a class is at times best realized by a dictator who sometimes will accomplish more by himself and is frequently more needed...."

Leninism Today

The picture of Lenin now offered to the Soviet public is concocted of nostalgic nonsense and deliberate distortion. There is no doubt, however, that in a great number of Soviet minds Lenin stands for a set of attitudes and a way of doing things quite different from Stalin's.

The regime seems to be genuinely interested in finding

ways to get better mileage and a livelier performance from the party and governmental machines through which it runs the Soviet state. As part of this effort, it is attempting to arouse a sense of meaningful participation,, of interest in and responsiveness to its objectives at all levels, without promoting a dangerous license. To achieve this. however, it is not enough for the regime to say that it believes in democratic centralism, inner-party democracy, criticism and selfcriticism, and is dead set against bureaucratism, formalism and the giving of orders from above. Similar sentiments were freely expressed and rendered meaningless under Stalin.

The task of explaining to the Soviet public how initiative and criticism are possible within the framework of political orthodoxy is then a difficult one. After years in which the only safe course was to remain silent and await orders from above, it will not be surprising if many now either cling to their old habits or exceed the proper limits of criticism.

The regime is therefore attempting to represent Leninism as the "golden mean" of conduct for both rulers and ruled. Lenin is meant to signify a rational, tested style of leadership and to symbolize the intangibles which distinguish the behavior now desired from the habits engendered by Stalin.

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COMMUNIST INFLUENCE INCREASING AMONG OVERSEAS CHINESE

Developments during the past year indicate that Communist influence has continued to spread among the Overseas Chinese in Southeast Asia. Communist China's drive to attract their support as well as the development of closer economic and cultural ties between China and many of the countries in the area foreshadows a continuation of this trend.

The 10,000,000 to 12,000,-000 Chinese in Southeast Asia constitute 6 percent of the area's population; they exercise a disproportionate influence over its economy because of their superior industry and initiative. These Chinese have not been assimilated and have maintained strong nationalistic sentiments regardless of who rules the Chinese mainland. Thus, ever since the Communists came to power in China in 1949, the Overseas Chinese in Southeast Asia have been under constant pressure--both blandishment and intimidation--to give their allegiance to Peiping.

Inducement -- Not Coercion

The present emphasis of Peiping's approach to Overseas Chinese is inducement, rather than coercion, to obtain admiration and allegiance. To this end, the Overseas Chinese have been granted representation in the National Peoples' Congress, various delegations have been entertained in China, and young people are encouraged to pursue their education in China so that they might help build a "people's democracy."

Peiping's propaganda also attempts to drive home the dual themes that Communism is the "wave of the future" and that a strong Communist China is the best guarantee of Overseas Chinese interests, including protection against discrimination by local governments.

Peiping's diplomatic representatives in Southeast Asia have been extremely active in proselyting the local Chinese communities. They have organized numerous recreational and relief projects, and have subsidized tremendous quantities of Communist literature. Branches of the Bank of China in Southeast Asia have supported the program by advancing lowinterest but politically mortgaged loans.

Economic Offensive

The recent intensification of Peiping's economic offensive is also having the effect of increasing its influence with local Chinese. For example, the cheap Chinese Communist consumer goods now being shipped throughout Southeast Asia via Hong Kong are handled almost exclusively by Chinese merchants. The appearance of these goods also has had the psychological impact of supporting Peiping's claims that China is rapidly becoming a highly industrial country -- an appeal to the pride of many local Chinese.

Peiping's trade agreements with Burma and Indonesia appear to be having a similar effect on Chinese. The Chinese Communists have also made an offer to purchase rice from Thailand,

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More recently, Communist China entered into a trade agreement with Cambodia, and an economic aid agreement is about to be concluded. These developments led the American ambassador in Phnom Penh to comment

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that an important factor in Peiping's decision may have been the anticipation of engaging the commercial interest of important Chinese businessmen to the extent that "they will find their pocketbooks identified with 'patriotism' in a newfound allegiance to Peiping." The ambassador also believes that Premier Chou En-lai's visit to Phnom Penh later this year will stir similar sentiments among Cambodia's 250,000 Chinese.

Forceful Methods

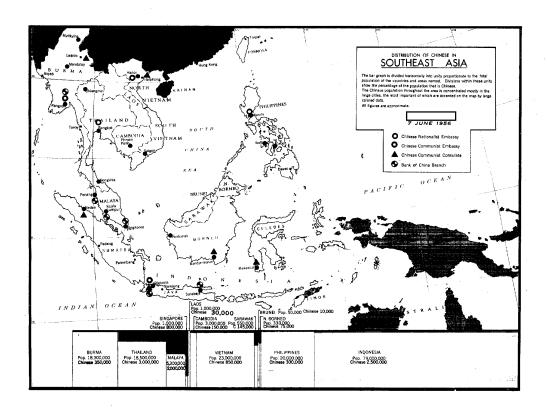
Despite their "peace and friendship" line, the Chinese Communists have by no means given up the use of more force-ful methods. In early May, a Chinese Nationalist music teacher in Bangkok, who had achieved considerable success in competing with Communist-sponsored "cultural" groups, was killed under circumstances which strongly suggested both murder

and arson. The Thai police are convinced that local Chinese Communists were responsible.

Chinese Communists are known to be engaged in clandestine activities to win new converts throughout Southeast Asia, particularly among younger Chinese.

This technique particularly explains Peiping's continuing success in penetrating and gaining control over Chinese schools in Southeast Asia.

In some instances, the Chinese Communists have been able to get local authorities to do their work for them. In Burma, where Chinese Nationalists have for some time been held in disrepute, Premier Nu has personally cracked down hard on



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anti-Communist Chinese newspapers. Moreover, the impending conclusion of a citizenship
agreement between Burma and
Communist China will further
complicate matters for anti-Communist Chinese. Such an agreement is likely to parallel the
Sino-Indonesian precedent, which
leaves no alternative but to
accept Burmese or Chinese Communist citizenship.

In Indonesia, known pro-Nationalists have been given harsh treatment, particularly during the tenure of the first Ali Sastroamidjojo government. In addition, the powerful Communist Party has recently called the present regime's attention to the "increasing hostility" toward local Chinese and urged that steps be taken to prevent a further growth of enmity between ethnic groups.

Restrictions and Prestige

Continuing discrimination against Chinese in all the countries of Southeast Asia contributes to the development of pro-Peiping sympathies. There is a strong desire throughout the area to restrict the Chinese economically. For instance, the Philippines has passed a law designed to eliminate the Chinese from retail trade, Thailand prohibits them from engaging in certain specified professions or living in certain areas, and South Vietnam has adopted stiff legislation against speculation which is aimed primarily at the Chinese. It is also a common practice throughout the area for political parties to "squeeze" the Chinese for "contributions."

Still another—and important—factor influencing Over—seas Chinese favorably toward Peiping has been the apparent growth of Communist China's international prestige. The Chinese interpret the Wang—Johnson talks in Geneva as evidence that "even the United

States" recognizes the existence of Peiping as a power
with which to reckon. Egypt's
recognition of Communist China
will undoubtedly strengthen
the Overseas Chinese view that
the Peiping regime is here to
stay, especially if this development stimulates similar
action by other Arab states.
Finally, Peiping's entrance
into the UN would just about
eliminate any lingering hopes
of a Nationalist resurgence.

Press Orientation

The most pronounced indication of the fact that these pressures are effectively expanding Communist influence among the Southeast Asian Chinese is the steady orientation toward Peiping of the local Chinese-language press. In Burma and Indonesia, the Communist press has no serious opposition among Chinese-language publications. The Chinese press in Singapore is generally slanted in favor of Peiping insofar as the law allows. In Bangkok, since the lifting of censorship last fall, there has been a strong outburst of pro-Peiping sentiment in the Chinese press. Five of the six papers are Chinese Communist-oriented, and the one most radically inclined toward Peiping has had a dramatic increase in circulation.

The pro-Nationalist press, on the other hand, with its influence continuing to decline, in many countries appears to be well on the way to extinction. Only in the Philippines, South Vietnam and Laos do Nationalist papers have an open field and their influence in those countries is not great.

Political Strength

Growing Communist strength among Overseas Chinese is measurable in political terms as well. The most striking is the growth of the Communist-

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oriented People's Action Party (PAP) in Singapore. In April 1955, the PAP was able to elect only three of 25 elective representatives in Singapore's Legislative Assembly. Today it is the best organized political organization on the island, and is expected by local observers to make a very strong showing in the next elections, whenever they are held.

Reports from various other countries in Southeast Asia suggest that, for one reason or another, the local Chinese are increasingly reluctant to

take a strong anti-Peiping stand. Finally, most of the govern-ments in Southeast Asia, while distrusting the Chinese minorities, are hesitant to take any action which would antagonize Peiping.

Under present circumstances, and in the absence of an attractive alternative, the prospect is that the Overseas Chinese in Southeast Asia are likely to be increasingly reluctant to be identified with Taiwan, and more inclined to look with favor toward Peiping.

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